

October 11, 2018

Sent via Email

Hon. Laura Taylor Swain  
U.S. District Court S.D.N.Y.  
500 Pearl Street  
New York, NY 10007

My name is Stephen T. Mangiaracina, Esq. I am a COFINA junior bondholder.

On October 3, 2018, October 1, 2018 and September 20, 2018 I sent you letters via email with attachments regarding the above. I ask that said letters be considered as if stated herein.

Annexed hereto as Attachment A is BNY Mellon's August 14, 2018 Notice to Holders of Puerto Rico Sales Tax Financing Corporation Sales Tax Revenue Bonds. Attached to it as Annex A is your Procedures Order; Account Balances as of August 1, 2018 as Annex B; Governor Rossello's Announcement of Agreement with COFINA bondholder as Annex C.

In my earlier letters to you referenced above, I opined that you were aiding and abetting what I believe is a criminal enterprise. While you had the power to direct the Procedures Order to BNY Mellon, there was no basis or right to do so. As to COFINA, the Court has one judicial function; that is to decide the summary judgment motion now before you for 6 months, as to whether it was formed within the bounds of Puerto Rico's Constitution.

Your July 24, 2018 Procedures Order to BNY Mellon was in effect an executive act on behalf of the Oversight Board and the Commonwealth for their benefit. The settlement representation made to BNY Mellon gets its birth from an illegal filing on May 5, 2017 of which you had record notice, to give the Oversight Board control over COFINA to get us where we are today. I sent you letters, and so did other retail COFINA junior bondholders, expressing unhappiness with the so called settlement. We were never included

With notice of this displeasure, you ordered BNY Mellon to comply with your Order anyway. This also must have put the trustee, of sales tax revenues, who has fiduciary responsibilities to COFINA bondholders, in an uncomfortable awkward position. This Order came under the cover of lawful authority, which I believe you had no right to use under the circumstances.

The attempt to wrongfully take the property of the secured COFINA bondholder for the benefit of the Commonwealth raises a criminal issue of intent. What happened on May 5, 2017 could be seen as the acts of a criminal enterprise which continues to the present with its contrived settlement attempt.

From my perspective, as such a bondholder, I see this as a conspiracy to wrongfully take what rightfully belongs to me and thousands of others similarly situated. The RICO Act was enacted to address crimes committed by underworld mobsters. Perhaps there is room in the Act or elsewhere under federal criminal statutes, to investigate what is going on here. The only difference I see is that the Oversight Board, Governor Rossalio and COFINA are trying to get their actions anointed by a federal judge.

The Oversight Board and their associates, who are attempting to take the property of COFINA bondholders for the benefit of the Commonwealth already admitted to this and acted in furtherance of this takeover. If mobsters go to prison for committing such acts, shouldn't these people face consequences for their actions which are causing grave harm to so many people.

As to jurisdiction, would be victims are domiciled all over the United States. Our property, which the perpetrators are looking to take from us is here in the States with NYB Mellon and easily identifiable.

As to injury, a stay has been placed on NYB Mellon from giving us money due; three interest payments to date and your Procedure Order provides that when the settlement is effected, we will get less than what our secured interest provides, a clear violation of PROMESA.

In refusing to decide the summary judgment motion before you by repeatedly granting stays to the Oversight Board, you have put COFINA bondholders under increased duress to accept a proposed settlement contrived illegally. Many live off the interest payments now stayed for almost 1 ½ years. Your Procedures Order to NYB Mellon never should have happened, nor immersing yourself in pushing this so called settlement that would be hurtful to so many COFINA junior bondholders, who you should be protecting rather than let us be treated as road kill.

Essentially, a Judge's job description is to call balls and strikes. As I see it, you have joined one of the teams and have expressed no regard for the other, the COFINA junior bondholders.

I have given no thought to attributing mens rea to you. Yet those whom I believe have criminal intent in trying to take my property, that of my family and others, from us, could not succeed, to where we are today without your proactive involvement.

As a practical matter, I no longer expect that you will follow my request to refer what I set forth, to the Department of Justice for investigation of criminal conduct.

Thank you.

Stephen T. Mangiaracina, Esq.  
5 Salem Road  
Hilton Head Island, SC 29928  
(843) 785-5800 Phone  
(843) 785-4100 Fax

cc: Rob Bishop, Chairman  
Committee of Natural Resources  
U.S. House of Representatives